LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6225 NOTE PREPARED: Nov 21, 2006

BILL NUMBER: SB 58 BILL AMENDED:

SUBJECT: Petition and Remonstrance Procedures.

FIRST AUTHOR: Sen. Weatherwax BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> *Voter Petitions and Remonstrances*- The bill allows registered voters residing within a political subdivision to participate when the political subdivision conducts a petition and remonstrance process to approve a bond issue or a lease rental. (Current law allows only the owners of real property to sign a petition or a remonstrance.)

Signature Verification Process- The bill requires petitions and remonstrances to be filed with the county clerk, rather than the county auditor.

Effective Date: July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: *Voter Petitions and Remonstrances*- This bill expands the pool of individuals who can sign a petition or remonstrance with respect to local government bond issues. Under current law, the issuance of public debt of \$2 M or more by a local governmental unit or school corporation is subject to a petition and remonstrance procedure. In order to invoke the petition/remonstrance process, it takes the lesser of 100 or 5% of the <u>property owners'</u> signatures in the affected area. <u>Property owners</u> may then sign either the petition (in favor of) or the remonstrance (against), with the greater number of signatures prevailing.

Under this bill, registered voters, rather than only owners of real property, would be the parties eligible to

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invoke the process and then sign the petitions and remonstrances. This change to expand the process to include <u>registered voters</u> could affect the amount of debt issued and as a result, could affect debt service levies and tax rates.

Background- There are about 3.4 million parcels of land in Indiana. As of the 2004 general election, there were 4.3 million registered voters in Indiana.

Signature Verification Process- County clerks could potentially have to verify more signatures on petitions and remonstrances. Given that the process allows a limited amount of time to verify signatures (up to 60 days, depending on the number of signatures), clerks may have additional staff expenditures.

However, the bill would relieve the duties of verifying petitions and remonstrances from county auditors. Therefore, the provision should minimally impact the expenditures of counties as a whole.

Explanation of Local Revenues:

State Agencies Affected:

<u>Local Agencies Affected:</u> All local civil taxing units and school corporations proposing bond issues or lease-rental agreements; Circuit Court Clerks; County Auditors.

Information Sources: Indiana Election Division.

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